

# HOUSE . . . . . No. 2115

By Mr. Wagner of Chicopee, petition of Joseph F. Wagner and others relative to establishing a transportation infrastructure revolving fund in the Commonwealth. Transportation.

## The Commonwealth of Massachusetts

### PETITION OF:

Joseph F. Wagner  
Patricia A. Haddad

Thomas A. Golden, Jr.  
Karen Spilka

In the Year Two Thousand and Five.

### AN ACT ESTABLISHING THE MASSACHUSETTS TRANSPORTATION INFRASTRUCTURE REVOLVING FUND.

1     *Whereas*, The deferred operation of this act would tend to  
2     defeat its purpose, which is to immediately provide for a trans-  
3     portation infrastructure revolving fund program for the common-  
4     wealth, therefore it is hereby declared to be an emergency law,  
5     necessary for the immediate preservation of the public conve-  
6     nience.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

1     SECTION 1. The General Laws are hereby amended by  
2     inserting after chapter 29D the following chapter:—

3                                   **CHAPTER 29E.**  
4                   **Massachusetts Transportation Infrastructure**  
5                   **Revolving Fund Program**

6     Section 1. *Definitions.* As used in this chapter, the following  
7     words shall have, unless the context clearly indicates otherwise,  
8     the following meanings:

9     “Board”, the board of trustees of the Massachusetts transporta-  
10    tion facilities and infrastructure trust.

11 “Bond act”, any general or special law authorizing a govern-  
12 mental unit to incur indebtedness for all or any part of the cost of  
13 a qualified project.

14 “Bonds”, bonds, notes or other evidence of indebtedness.

15 “Borrower obligations”, governmental obligations or bonds of a  
16 private enterprise issued to evidence a loan.

17 “Cost”, as applied to any qualified project, any or all costs,  
18 whenever incurred, approved by the secretary of EOT, of carrying  
19 out a qualified project, including without limitation, costs for pre-  
20 liminary planning of reports and studies to determine the eco-  
21 nomic or engineering feasibility of a qualified project, engineering  
22 and architectural reports, studies, surveys, plans and specifica-  
23 tions; construction; expansion; improvement and rehabilitation;  
24 acquisition of real property, personal property, materials,  
25 machinery or equipment; start-up costs; demolitions and reloca-  
26 tions; reasonable reserves and working capital; interest on bor-  
27 rower obligations prior to and during construction of such  
28 qualified project; administrative, legal and financing expenses;  
29 and other expenses necessary or incidental to the aforesaid.

30 “Financial assistance”, any financial assistance for a qualified  
31 project provided by the trust under the program, including,  
32 without limitation, loans to and leases with qualified borrowers,  
33 the establishment of reserves and other security, and guarantees of  
34 and credit enhancement of the obligations of qualified borrowers  
35 incurred in connection with the financing of qualified projects.

36 “Fund”, the Transportation Infrastructure Revolving Fund,  
37 established pursuant to section 7.

38 “General revenues”, when used with reference to a govern-  
39 mental unit, revenues, receipts, assessments and other monies of a  
40 governmental unit, and all rights to receive the same including,  
41 without limitation, (i) revenue as defined in section 1 of chapter  
42 44; (ii) project revenues; (iii) assessments upon or payments  
43 received from any other governmental unit which is a member or  
44 service recipient of the governmental unit; (iv) proceeds of loans  
45 made in accordance with this chapter and of grants made in accor-  
46 dance with section 31 of chapter 81; (v) investment earnings; (vi)  
47 reserves for debt service or other capital or current expenses; (vii)  
48 receipts from any rate, charge, tax, excise or fee all or a part of the  
49 receipts of which are payable or distributable to or for the account

50 of the governmental unit; (viii) local aid distributions, if any; and  
51 (ix) receipts, distributions, reimbursements and other assistance  
52 from the commonwealth or the United States; provided, however,  
53 that general revenues shall not include any monies restricted by  
54 law to specific statutorily defined purposes inconsistent with their  
55 treatment as general revenues for purposes of this chapter.

56 “Governmental obligations”, bonds issued by a governmental  
57 unit to evidence a loan.

58 “Governmental unit”, any town, city, district, county, commis-  
59 sion, agency, authority, board or other instrumentality of the com-  
60 monwealth or of any of its political subdivisions, including any  
61 regional governmental unit which is responsible for the construc-  
62 tion, ownership or operation of a qualified project and is autho-  
63 rized by a bond act to finance all or any part of the cost thereof  
64 through the issuance of bonds.

65 “Guarantee”, a contract or contracts pursuant to which the trust  
66 agrees to guarantee all or a portion of the obligations of a quali-  
67 fied borrower incurred to finance a qualified project.

68 “Highway Account”, the Highway Account of the fund, estab-  
69 lished pursuant to section 7.

70 “ISTEA,” the Federal Intermodal Surface Transportation Effi-  
71 ciency Act of 1991, P.L. 102-240, as amended.

72 “Lease”, any form of capital or operating lease for all or a por-  
73 tion of a qualified project, between the trust and a qualified bor-  
74 rower.

75 “Loan”, any form of financial assistance subject to repayment  
76 which is provided by the trust to a qualified borrower for all or  
77 any part of the cost of a qualified project. A loan may (1) provide  
78 for planning, construction, bridge or permanent financing; and (2)  
79 be disbursed in anticipation of reimbursement for or direct pay-  
80 ment of costs of a qualified project or take the form of a guar-  
81 antee, line of credit or other form of financial assistance.

82 “Loan agreement”, any agreement entered into between the  
83 trust and a qualified borrower pertaining to a loan or lease. A loan  
84 agreement may contain, in addition to financial terms which may  
85 include, without limitation, provisions defining defaults there-  
86 under and remedies therefor, provisions relating to the regulation  
87 and supervision of a qualified project and any other provision as  
88 the board may reasonably determine. The term “loan agreement”

89 shall include, without limitation, a loan agreement, lease, trust  
90 agreement, trust indenture, security agreement, reimbursement  
91 agreement, guarantee agreement, bond or note resolution, or sim-  
92 ilar instrument whether secured or unsecured.

93 “Local aid distributions”, any receipts, distributions, reimburse-  
94 ments or other assistance payable by the commonwealth to or for  
95 the account of a governmental unit, including, without limitation,  
96 payments under sections 18B, 18C and 18D of chapter 58 and any  
97 other local reimbursement or assistance program described in  
98 section 25A of said chapter 58.

99 “NHS Act”, the National Highway System Designation Act of  
100 1995, P.L. 104-59, as amended.

101 “Private enterprise”, a private person or entity that has entered  
102 into a contract with a governmental unit to design, finance, con-  
103 struct or operate a qualified project that is within the jurisdiction  
104 of such governmental unit, provided that the governmental unit is  
105 responsible for complying with all applicable requirements of  
106 ISTEA or the NHS Act, with respect to such qualified project.

107 “Program”, the Transportation Infrastructure Revolving Fund  
108 Program established pursuant to this chapter.

109 “Project revenues”, all rates, rents, fees, assessments, charges,  
110 and other receipts derived or to be derived by a qualified borrower  
111 from a qualified project, and, if so provided in the applicable loan  
112 agreement pursuant to section 13, from any system of which such  
113 qualified project is a part and any other revenue producing facili-  
114 ties under the ownership or control of such qualified borrower,  
115 including, without limitation, proceeds of grants, gifts, appropria-  
116 tions and loans, including the proceeds of loans or grants made by  
117 the trust, investment earnings, reserves for capital and current  
118 expenses, proceeds of insurance or condemnation and the sale or  
119 other disposition of property; provided, however, the project rev-  
120 enues shall not include any ad valorem taxes levied directly by a  
121 governmental unit on any real and personal property.

122 “Qualified borrower”, any governmental unit or private enter-  
123 prise which is authorized to construct, operate or own a qualified  
124 project.

125 “Qualified project”, any public or private highway, transit or  
126 transportation project, including, without limitation, the construc-  
127 tion, reconstruction, resurfacing, rehabilitation or replacement of

128 public or private transportation facilities including, without limita-  
129 tion, parking facilities within the commonwealth, or the study of  
130 the feasibility thereof; any highway, transit or transportation pro-  
131 ject eligible for financing or aid under any federal act or program;  
132 and any project involving the maintaining, repairing, improving or  
133 constructing of any city, town, county or state highway, including  
134 roads, streets and parkways, parking facilities, and any rights-of-  
135 way, bridges, tunnels, railroad highway crossings, drainage struc-  
136 tures, signs, guardrails, and protective structures constructed or  
137 used in connection with highway or transit projects.

138 “Regional governmental unit”, a governmental unit which is  
139 authorized to construct, own, or operate a qualified project on  
140 behalf of two or more other governmental units, or designated  
141 parts thereof, and which derives all or part of its general revenues  
142 or project revenues by assessment or other charge on such other  
143 governmental units.

144 “Revenues”, when used with respect to the trust, any receipts,  
145 fees, revenues or other payments received or to be received by the  
146 trust under the program, including without limitation receipts and  
147 other payments received by or deposited in the fund, payments of  
148 principal, interest or other charges on loans, leases, grants, appro-  
149 priations or other financial assistance from the commonwealth or  
150 the United States or any political subdivision or instrumentality of  
151 either in connection with the program, investment earnings on its  
152 funds and accounts, including, without limitation, the fund, and  
153 any other fees, charges or other income received or receivable by  
154 the fund or the trust under the program.

155 “Secretary of administration and finance”, the secretary of the  
156 executive office for administration and finance established under  
157 chapter 7.

158 “Secretary of EOT”, the secretary of the executive office of  
159 transportation established under chapter 6A.

160 “State Contribution Account”, the State Contribution Account  
161 of the fund, established pursuant to section 7.

162 “State treasurer”, the treasurer and receiver-general of the com-  
163 monwealth.

164 “TEA-21”, the Transportation Equity Act for the 21st Century,  
165 P.L. 105-178, as amended.

166 “Transit Account”, the Transit Account of the fund, established  
167 pursuant to the provisions of section 7.

168 “Trust”, the Massachusetts transportation facilities and infra-  
169 structure trust established by this chapter.

170 “Trust agreement”, any agreement entered into by the trust and  
171 the state treasurer, providing for the issuance, security and pay-  
172 ment of bonds issued pursuant to section 8. The term “trust agree-  
173 ment” shall include a trust agreement, trust indenture, security  
174 agreement, reimbursement agreement, currency or interest rate  
175 exchange agreement, bond or note resolution or other similar  
176 instrument.

177 Section 2. *Massachusetts Transportation Facilities and Infra-*  
178 *structure Trust; Board of Trustees; Purpose, Powers and Duties.*

179 (a) An unpaid board of trustees consisting of the secretary of  
180 administration and finance, ex officio, the secretary of EOT, ex  
181 officio, the chairperson of the Massachusetts turnpike authority,  
182 ex officio, the state treasurer, ex officio, and a fifth member who  
183 shall be appointed by the governor for a term coterminous with  
184 that of the governor is hereby constituted as a public instrumen-  
185 tality of the commonwealth to be known as the Massachusetts  
186 transportation facilities and infrastructure trust to administer the  
187 Transportation Infrastructure Revolving fund established pursuant  
188 to section 7. The trust is hereby designated as an instrumentality  
189 of the commonwealth to establish and administer within the fund  
190 the state infrastructure bank pursuant to Section 350 of the NHS  
191 Act. The exercise by the trust, and by the board of trustees  
192 thereof, of the powers conferred by this chapter shall be deemed  
193 to be the performance of an essential public function.

194 (b) The secretary of EOT shall serve as chairperson of the  
195 board. The board shall annually elect one of its members as vice-  
196 chairperson. Each member of the board may appoint a designee  
197 pursuant to section 6A of chapter 30. Three members of the board  
198 shall constitute a quorum and the affirmative vote of a majority of  
199 trustees present shall be necessary and shall suffice for any action  
200 taken by the board. Any action of the board may take effect  
201 immediately and need not be published or posted unless otherwise  
202 provided by law. No vacancy in the membership of the board  
203 shall impair the right of a quorum to exercise the powers of the  
204 board. Meetings of the board of trustees shall be subject to  
205 section 11A½ of chapter 30A; provided, however, that the provi-  
206 sions of said section 11A½ shall not apply to any meeting of

207 trustees in the exercise of their duties as officers of the common-  
208 wealth so long as no matters relating to the official business of the  
209 trust are discussed and decided at such meeting. The trust shall be  
210 subject to all other provisions of said chapter 30A; provided, how-  
211 ever, that the provisions of said chapter 30A shall not apply to  
212 rules, regulations, procedures and guidelines adopted by the board  
213 pursuant to this chapter, and records pertaining to the administra-  
214 tion of the trust shall be subject to the provisions of section 42 of  
215 chapter 30 and section 10 of chapter 66. The fund and all other  
216 monies of the trust shall be deemed to be public funds for the pur-  
217 poses of chapter 12A. The operations of the trust shall be subject  
218 to the provisions of chapter 268A and chapter 268B to the same  
219 extent as the offices of the secretary of administration and finance  
220 and the secretary of EOT.

221 (c) The purposes for which the trust is created and for which  
222 the fund shall be received, held, administered and disbursed by the  
223 board of trustees shall be the provision of financial assistance, in  
224 the manner contemplated by ISTEPA, TEA-21, and the NHS Act,  
225 to qualified borrowers as beneficiaries of the trust to finance the  
226 costs of qualified projects, as provided in, and as necessary to  
227 implement the provisions of, this chapter. In accordance with the  
228 terms of any trust agreement entered into by the trust and the state  
229 treasurer with respect to the bonds secured by monies or revenues  
230 of the fund, the holders of such bonds also shall be beneficiaries  
231 of such trust. The board shall apply and disburse monies and rev-  
232 enues of the fund without appropriation or allotment by the com-  
233 monwealth.

234 (d) Without limiting the generality of the foregoing and other  
235 powers of the trust, the board shall have the power: (i) to adopt  
236 and amend by-laws and such rules, regulations and procedures for  
237 the conduct of the business of the trust as the board shall deem  
238 necessary to carry out the provisions of this chapter; (ii) to apply  
239 for, receive, administer and comply with the conditions and  
240 requirements respecting any grant, gift or appropriation of prop-  
241 erty, services or monies; (iii) to borrow and repay money by  
242 requesting the state treasurer to issue bonds on behalf of the trust  
243 in accordance with section 8, and to apply the proceeds thereof as  
244 provided in this chapter and to pledge or assign or create security  
245 interests in the fund and the receipts thereto to secure bonds; (iv)

246 to make loans to or enter into loan agreements with qualified bor-  
247 rowers to acquire, hold and sell borrower obligations at such  
248 prices and in such manner as the board shall deem advisable, and  
249 to pledge borrower obligations to secure bonds issued pursuant to  
250 section 8; (v) to enter into guarantees secured by or purchase bond  
251 insurance or other credit enhancement through amounts on deposit  
252 in the fund; (vi) to enter into contracts, arrangements and agree-  
253 ments to provide any other form of financial assistance through  
254 amounts on deposit in the fund; (vii) to enter into contracts,  
255 arrangements and agreements with other persons and execute and  
256 deliver all trust agreements, loan agreements and other instru-  
257 ments necessary or convenient to the exercise of the powers  
258 granted hereunder, including without limitation, any contracts,  
259 arrangements or agreements required pursuant to ISTEA, TEA-21,  
260 the NHS Act, and any successor acts or reauthorizations of those  
261 acts; (viii) to enter into an agreement, contract or other arrange-  
262 ment directly or indirectly through any office or agency within the  
263 executive office of transportation pursuant to section 19 of chapter  
264 6A, with a private enterprise in furtherance of and in accordance  
265 with the provisions of ISTEA, TEA-21, the NHS Act, or any suc-  
266 cessor acts or reauthorizations of those acts, as applicable; (ix) to  
267 obtain insurance and enter into agreements of indemnification  
268 necessary or convenient to the exercise of the powers granted  
269 hereunder; (x) to sue and be sued and to prosecute and defend  
270 actions relating to the affairs of the trust and the fund; provided,  
271 however, that the trust is not authorized to become a debtor under  
272 the United States Bankruptcy Code; (xi) to engage accounting,  
273 management, legal, financial, consulting and other professional  
274 services necessary to the conduct of the program; and (xii) to  
275 establish an advisory board consisting of the directors, or their  
276 designees, of the metropolitan planning organizations of the com-  
277 monwealth.

278 (e) In its administration of the program as provided in this  
279 chapter, the board shall comply with applicable federal require-  
280 ments under ISTEA and the NHS Act and other applicable federal  
281 programs. In addition, prior to entering into any loan agreement,  
282 contract, arrangement or other instrument for the purpose of car-  
283 rying out the program, the board shall, within thirty days, obtain  
284 the approval of the state treasurer with respect to the financial



285 terms and conditions of such agreement. The trust shall not be  
286 authorized or empowered (i) to be or to constitute a bank or trust  
287 company within the jurisdiction or under the control of the depart-  
288 ment of banking and insurance of the commonwealth or the comp-  
289 troller of the currency or the treasury department of the United  
290 States; or (ii) to be or constitute a bank, banker or dealer in securi-  
291 ties within the meaning of, or subject to the provisions of, any  
292 securities, securities exchange or securities dealers' law of the  
293 United States or the commonwealth.

294 (f) The board may consult from time to time with the advisory  
295 board referenced in section 2(a)(xii) for purposes of establishing  
296 policies and procedures governing the program.

297 Section 3. *Receipt and Disbursement of Fund Monies.*

298 (a) The state treasurer, as treasurer-custodian of the fund, shall  
299 receive in trust, hold and disburse in and from the fund exclu-  
300 sively for the benefit of the beneficiaries thereof, at the direction  
301 of the board, the following monies: (i) subject to the applicable  
302 provisions of sections 9 through 10D of chapter 11 of the acts of  
303 1997, as amended by section 1 of chapter 121 of the acts of 1998  
304 and sections 4 through 7 of chapter 235 of the acts of 1998, fed-  
305 eral grants and awards or other federal assistance received by the  
306 trust or the commonwealth and eligible for deposit therein under  
307 applicable federal law; (ii) amounts appropriated by the common-  
308 wealth to the fund for purposes of the program; (iii) amounts paid  
309 by the Massachusetts turnpike authority or any other state, local or  
310 regional agency or authority authorized by law to deposit monies  
311 in the fund for purposes of the program; (iv) proceeds of bonds  
312 issued pursuant to section 8; (v) loan and lease payments and  
313 other payments received by the trust in respect of providing finan-  
314 cial assistance to qualified borrowers; (vi) investment earnings on  
315 monies in the fund; and (vii) any other amounts required to be  
316 credited to the fund by any law or by any resolution, loan agree-  
317 ment or trust agreement or which the commonwealth or the board  
318 shall otherwise determine to deposit therein.

319 (b) Application of amounts in the fund shall be subject to the  
320 requirements of this chapter and applicable provisions of any loan  
321 agreement or trust agreement and, with respect to amounts held  
322 therein derived from grants or awards made under 23 USC section  
323 101, et seq. or 49 USC section 5301, et seq., or any other federal

324 law, to the applicable requirements of federal law. Whenever the  
325 board takes discretionary action, it shall be guided by the intention  
326 of best effecting the purposes of this chapter to implement finan-  
327 cial assistance in support of qualified projects consistent with the  
328 responsibilities of the trust to its bondholders, qualified bor-  
329 rowers, and other beneficiaries of the trust. The provisions of  
330 section 6B and sections 7A to 7G, inclusive, of chapter 29 shall  
331 not apply to grants received by the trust from the United States for  
332 purposes of the fund. The state treasurer shall be the treasurer-cus-  
333 todian of the fund as provided in section 7, and, subject to any  
334 applicable trust agreement, the state treasurer is authorized to  
335 invest monies held in the fund in such investments as may be legal  
336 investments for funds of the commonwealth, subject, however,  
337 with respect to monies deposited in the fund pursuant to Section  
338 350 of the NHS Act, to the provisions of Section 350(e)(3) of the  
339 NHS Act.

340 (c) Subject to limitations under ISTEAA, TEA-21, the NHS Act  
341 and other federal laws, other laws respecting the use of particular  
342 monies in the fund; and the provisions of any applicable trust  
343 agreement, amounts in the fund may be used only; (i) to pay the  
344 principal, including sinking fund payments of and premium, if  
345 any, and interest on bonds of the commonwealth issued pursuant  
346 to section 8 for the purpose of financing or refinancing any cost of  
347 a qualified project; (ii) to provide financial assistance, to finance  
348 or refinance the costs of qualified projects; (iii) to guarantee, or  
349 provide insurance or other credit enhancement for bonds of quali-  
350 fied borrowers issued to finance the costs of qualified projects;  
351 (iv) to provide reserves for or otherwise secure bonds issued pur-  
352 suant to section 8 and to provide insurance or other credit  
353 enhancement for such bonds; (v) to provide a subsidy for, or to  
354 otherwise assist, qualified borrowers in the payment of debt  
355 service costs on loans made by the trust hereunder; (vi) to provide  
356 reserves for, or to otherwise secure, amounts payable by qualified  
357 borrowers on loans made by and leases with the trust in the event  
358 of default by a particular qualified borrower or, on a parity basis,  
359 by any qualified borrower; (vii) to earn interest on amounts in the  
360 fund; and (viii) for the costs of administering the program; pro-  
361 vided, however, that not more than 2 percent of the federal funds  
362 contributed to the fund pursuant to Section 350 of the NHS Act  
363 may be expended for such administrative costs.

364 (d) For the necessary and convenient administration of the  
365 fund, the board shall direct the state treasurer to establish the  
366 Highway Account, the State Contribution Account and the Transit  
367 Account as provided in section 7, and one or more additional  
368 accounts and sub-accounts within the fund as shall be necessary to  
369 meet the requirements of the NHS Act and any other applicable  
370 federal law requirement or as the board shall otherwise deem nec-  
371 essary or desirable in order to implement the provisions of this  
372 chapter or to comply with any trust agreement. The board may  
373 also establish in any trust agreement or otherwise one or more  
374 other funds and accounts for revenues and other monies not  
375 required to be held in the fund, and to apply and disburse such  
376 monies and revenues for the purposes of the program.

377 Section 4. *Power and Duty of Trust to Secure Benefits of Fed-*  
378 *eral Programs.*

379 The board, acting on behalf of the trust, is authorized and  
380 directed to take all necessary or incidental actions to secure for  
381 the commonwealth the benefits of ISTEA, TEA-21, the NHS Act,  
382 any successor acts or reauthorizations of those acts, and any sim-  
383 ilar federal programs, including exercise of the powers;

384 (a) to cooperate with appropriate federal agencies in all matters  
385 related to the administration of the fund as contemplated by 23  
386 USC section 129(a)(7) and section 350 of the NHS Act;

387 (b) to prepare and submit to the appropriate federal agencies  
388 applications for grants and to enter into agreements with the  
389 United States relating to the purposes of the fund and the pro-  
390 gram;

391 (c) to prepare and submit to the appropriate federal agencies,  
392 the governor and the clerks of the senate and the house, annual  
393 and other reports and audits, in form and content satisfying federal  
394 requirements, relating to the program and the fund;

395 (d) to establish and collect such fees, charges and interest rates  
396 in compliance with federal requirements and as the board shall  
397 determine to be reasonable, and to hold, apply and disburse such  
398 monies within or without the fund to the implementation of the  
399 purposes of this chapter;

400 (e) to establish, jointly with the state treasurer and the state  
401 comptroller, fiscal controls and accounting procedures for the  
402 fund; and

403 (f) to adopt regulations, procedures and guidelines for adminis-  
404 tration of the program and for maintenance of suitable accounting  
405 procedures by qualified borrowers for financial assistance and  
406 projects.

407 Such regulations, procedures and guidelines shall be consistent  
408 with any applicable federal requirements.

409 Section 5. *Applications for Financial Assistance.*

410 (a) Any qualified borrower may file an application with the  
411 trust to obtain financial assistance from the fund. The application  
412 shall be filed in such manner and contain or be accompanied by  
413 such information as the trust may require.

414 (b) In addition to other requirements prescribed by the trust, an  
415 application shall: (i) describe the nature and purpose of the pro-  
416 posed transportation project, including the need for the project  
417 and the reasons why the project is in the public interest; and (ii)  
418 state the estimated costs of the project and the proposed sources of  
419 funding, if any, in addition to the financial assistance being sought  
420 from the fund.

421 (c) The board shall prepare and adopt program guidelines and  
422 conditions for qualified projects seeking financial assistance from  
423 the trust. The board shall from time to time review, prioritize and  
424 certify all qualified projects that are eligible to receive financial  
425 assistance from the trust.

426 Section 6. *Loan and Lease Terms.*

427 The secretary of administration and finance shall prepare and  
428 present to the board guidelines regarding the appropriate financial  
429 terms and conditions for qualified projects proposed to be  
430 financed under the program. The board shall determine the form  
431 and content of any borrower obligation, including the term and  
432 rate or rates of interest. Notwithstanding the foregoing, loans and  
433 leases financed through the application of federal monies pursuant  
434 to 23 USC section 129, or Section 350 of the NHS Act: (a) shall  
435 bear interest at or below market rates, as determined by the board,  
436 or otherwise as may be specified therein; (b) shall have a repay-  
437 ment term of not longer than 30 years from the date of the first  
438 payment, as required by clause (c) of this section; (c) shall be  
439 subject to repayment commencing not later than five years after  
440 the qualified project financed with the proceeds of such loan has  
441 been completed or, in the case of a highway project, the facility

442 has opened to traffic; (d) may be subordinated to any other debt  
443 incurred to finance the qualified project, except any other loans  
444 made by the commonwealth or any other public agency thereof;  
445 and (e) shall be made only after all federal environmental require-  
446 ments applicable to the qualified project have been complied with.

447 Notwithstanding any provision of this chapter to the contrary,  
448 the board may waive any of the requirements contained in this  
449 section if such waiver would not cause the loan or the program to  
450 violate the requirements of ISTEA or the NHS Act or any other  
451 applicable federal or commonwealth requirement.

452 Section 7. *Establishment of Fund; Accounts.*

453 There shall be established and set up on the books of the com-  
454 monwealth a separate fund, to be known as the Transportation  
455 Infrastructure Revolving Fund, and within such fund a Highway  
456 Account, a State Contribution Account and a Transit Account.  
457 Additional accounts or sub-accounts may be established by the  
458 state treasurer at the direction of the board. Any amounts required  
459 under Section 350 of the NHS Act or any other federal law or pro-  
460 gram to be deposited in the Highway Account shall be so  
461 deposited and shall not be commingled with any other amounts on  
462 deposit in the fund. Any amounts required under Section 350 of  
463 the NHS Act or any other federal law program to be deposited in  
464 the Transit Account shall be so deposited and shall not be com-  
465 mingled with any other amounts on deposit in the fund. Any  
466 amounts required under any law of the commonwealth to be  
467 deposited in the State Contribution Account shall be so deposited  
468 and shall not be commingled with any other amounts on deposit in  
469 the fund. Any monies held in the fund shall be used solely as pro-  
470 vided in this chapter, subject to applicable federal requirements.  
471 The state treasurer shall be treasurer-custodian of the fund and  
472 shall have the custody of its monies and securities.

473 Section 8. *Issuance of Bonds.*

474 (a) At the request of the board, the state treasurer shall issue  
475 bonds on behalf of the trust to finance or refinance any cost of a  
476 qualified project or provide other financial assistance, the pro-  
477 ceeds of which bonds are to be deposited in the fund. Bonds may  
478 be issued in such manner and on such terms and conditions as the  
479 board, after consultation with the state treasurer may determine in  
480 accordance with the provisions of this section and, to the extent

481 not inconsistent with the provisions hereof, the provisions of any  
482 other general or special law, including without limitation, the pro-  
483 visions of chapter 29 of the General Laws, applicable to bonds or  
484 notes of the commonwealth, subject to any applicable federal  
485 requirements.

486 (b) Bonds may be secured by a trust agreement entered into by  
487 the trust and the state treasurer, which trust agreement may pledge  
488 or assign, in whole or in part, any loan agreements or borrower  
489 obligations, and all or any part of monies credited to the fund,  
490 subject to applicable federal requirements, and any funds or  
491 accounts established under a trust agreement and any contract or  
492 other rights to receive the same, whether then existing or coming  
493 into existence and whether then held or thereafter acquired, and  
494 the proceeds thereof.

495 (c) At the request of the board, the state treasurer shall also  
496 issue refunding bonds on behalf of the trust for the purpose of  
497 paying any bonds issued pursuant to this section at or prior to  
498 maturity. Refunding bonds may be issued at any time or prior to  
499 the maturity or redemption or purchase of the refunded bonds.  
500 The issuance of any such refunding bonds shall not be subject to  
501 the provisions of section 53A of chapter 29. Refunding bonds  
502 may be issued in sufficient amounts to pay or provide for payment  
503 of the principal of the bonds being refunded, together with any  
504 redemption premium thereon, any interest or discount accrued or  
505 to accrue to the date of payment, costs of issuance and other  
506 expenses and reserves reasonably necessary to achieve the  
507 refunding.

508 (d) The state treasurer is further authorized, with the concur-  
509 rence of the board, to enter into additional security, insurance or  
510 other forms of credit enhancement which may be secured on a  
511 parity basis with the bonds or on a subordinate basis. A pledge in  
512 any such trust agreement or credit enhancement agreement shall  
513 be valid and binding from the time such pledge shall be made  
514 without any physical delivery or further act, and the lien of such  
515 pledge shall be valid and binding as against all parties having  
516 claims of any kind in tort, contract or otherwise, irrespective of  
517 whether such parties have notice thereof. Any such pledge shall  
518 be perfected by filing of the trust agreement or credit enhance-  
519 ment agreement in the records of the state treasurer and no filing

520 need be made under any other provision of law. Any such trust  
521 agreement or credit enhancement agreement may establish provi-  
522 sions defining defaults and establishing remedies and other mat-  
523 ters relating to the rights and security of the holders of the bonds  
524 or other secured parties, including without limitation, provisions  
525 relating to the establishment of reserves, the issuance of additional  
526 or refunding bonds, whether or not secured on a parity basis, the  
527 application of receipts, monies or funds pledged pursuant to such  
528 agreement, hereinafter referred to as “pledged funds”, and other  
529 matters deemed necessary or desirable by the board or state trea-  
530 surer for the security of such bonds, and may also regulate the  
531 custody, investment and application of monies.

532 (e) Any bonds issued under this section shall be special obliga-  
533 tions of the commonwealth payable solely from revenues credited  
534 to the fund. Notwithstanding the provisions of any general or  
535 special law to the contrary, such bonds shall not be general obliga-  
536 tions of the commonwealth.

537 (f) Any such bonds shall be deemed to be investment securities  
538 under applicable laws, shall be securities in which any public  
539 officer, fiduciary, insurance company, financial institution or  
540 investment company may properly invest funds and shall be secu-  
541 rities which may be deposited with any public custodian for any  
542 purpose for which the deposit of bonds is authorized by law. Any  
543 such bonds, their transfer and the income therefrom, including  
544 profit on the sale thereof, shall at all times be exempt from taxa-  
545 tion by and within the commonwealth.

546 (g) In order to increase the marketability of any bonds issued  
547 pursuant to this section, and in consideration of the acceptance of  
548 payment of any such bonds, the commonwealth covenants with  
549 the purchasers and all subsequent holders and transferees of any  
550 such bonds that while any such bond shall remain outstanding,  
551 and so long as the principal of or interest on any such bond shall  
552 remain unpaid, (i) revenues allocable to the fund shall not be  
553 diverted from the purposes identified herein, and (ii) no pledged  
554 funds shall be diverted from the fund, except as expressly per-  
555 mitted or authorized by the terms of any trust agreement relating  
556 to the bonds.

557 Section 9. *Monies Appropriated by the Commonwealth to be*  
558 *Paid to Fund by State Treasurer; Agreements Establishing Pay-*  
559 *ment Procedures.*

560 Upon request of the board, the state treasurer shall deposit in  
561 the fund any monies appropriated by the commonwealth for the  
562 program or the fund or any account therein, including any com-  
563 monwealth funds required to be deposited in the fund pursuant to  
564 23 USC section 101, et seq., 49 USC section 5301, et seq.,  
565 ISTEA, the NHS Act, any successor acts or reauthorizations of  
566 those acts, or any other federal law or program. The state trea-  
567 surer and the trust may enter into agreements establishing proce-  
568 dures for payment of amounts appropriated by the commonwealth  
569 for the program or the fund. An agreement may include such  
570 covenants and undertakings of the commonwealth, the trust, the  
571 secretary of administration and finance and the secretary of EOT  
572 as the parties thereto may deem necessary or desirable, subject to  
573 applicable federal requirements, including without limitation, pro-  
574 vision for payments by the commonwealth with respect to federal  
575 grants or other monies or the execution and delivery of loan  
576 agreements by the trust. Notwithstanding any law to the contrary,  
577 unless otherwise specified therein, any act duly enacted by a vote,  
578 taken by the yeas and nays of two-thirds of each house of the  
579 general court present and voting thereon, and approved by the  
580 governor, authorizing the state treasurer to issue bonds or notes of  
581 the commonwealth or otherwise authorizing the commonwealth to  
582 borrow money for the purposes of providing monies to meet any  
583 appropriation for purposes of the program or the fund shall be  
584 deemed to authorize the state treasurer, with the approval of the  
585 governor, to enter into an agreement with the trust pledging the  
586 full faith and credit of the commonwealth to a schedule of pay-  
587 ments to the fund of the amounts therein appropriated, including,  
588 without limitation, the amount, time and manner of such pay-  
589 ments. The agreements of the commonwealth and the rights of  
590 the trust thereunder may be assigned and pledged as security for  
591 bonds issued pursuant to section 8. Notwithstanding any general  
592 or special law to the contrary, in the discretion of the state trea-  
593 surer, with the approval of the governor, payments to the trust of  
594 amounts authorized pursuant to the issuance of bonds by the com-  
595 monwealth, as provided in this section, may be met by the deposit



596 in the fund of bonds of the commonwealth which are so autho-  
597 rized to meet such appropriation. Bonds so deposited may be  
598 assigned and pledged as security for bonds issued pursuant to  
599 section 8 and may mature or be redeemable on such dates and in  
600 such amounts, may bear interest at such rate or rates or be  
601 deposited in the fund at such discount or premium, may bear such  
602 limitations on negotiation or resale by the trust, and may bear  
603 such other terms and conditions, as the state treasurer shall deter-  
604 mine to be in the best interests of the commonwealth; provided,  
605 however, that the effective yield on such bonds shall not exceed  
606 the greater of the effective yield on the bonds secured thereby and  
607 the effective yield on comparable bonds not so deposited in the  
608 fund, as determined by the state treasurer after consultation with  
609 the secretary of administration and finance. For purposes of  
610 section 49 of chapter 29, the net proceeds of bonds deposited in  
611 the fund as instruments the principal amount of which increases  
612 during the life of such instrument shall be deemed to be the pre-  
613 sent value of the amount payable thereon at maturity discounted to  
614 the date of deposit at the yield on such bonds.

615 Section 10. *Loans to Qualified Borrowers to Finance Qualified*  
616 *Projects.*

617 (a) Any qualified borrower may apply to the trust for a loan to  
618 assist in financing the cost of a qualified project. At the option of  
619 the trust, and subject to applicable federal requirements, loans  
620 may be made as secured loans or as unsecured general obligations  
621 of a qualified borrower. Each loan shall be made pursuant to a  
622 loan agreement between the trust and the qualified borrower  
623 acting by and through the officer or officers, board, committee or  
624 other body authorized by law, or otherwise its chief executive  
625 officer.

626 (b) A qualified borrower may receive, apply, pledge, assign  
627 and grant security interests in project revenues, and, in the case of  
628 a governmental unit, its general revenues to secure its obligations  
629 under loan agreements and borrower obligations as provided in  
630 this chapter and may fix, revise, charge and collect fees, rates,  
631 rents, assessments and other charges of general or special applica-  
632 tion for the operation or services of any qualified project, the  
633 system of which it is a part and any other revenue producing facil-  
634 ities from which the qualified borrower derives project revenues

635 to meet its obligations under any loan agreement or borrower  
636 obligation, or otherwise to provide for the construction, mainte-  
637 nance and operation of a qualified project.

638 (c) For entering into a loan and establishing the authorized  
639 terms and conditions thereof and for issuing any governmental  
640 obligations, a governmental unit shall be deemed to have the  
641 powers expressly granted to governmental units in this chapter  
642 and the powers granted to that governmental unit in any bond act  
643 applicable to it specifically or as a member of a class of govern-  
644 mental instrumentalities. Liberal construction shall be given in  
645 support of the broadest interpretation of government unit powers  
646 derived from either this chapter or any bond act, provided that  
647 nothing in this chapter shall be construed as affecting the manner  
648 of voting and other procedures relating to, or otherwise required  
649 by any bond act for, the authorization of indebtedness of any gov-  
650 ernmental unit by the governing body thereof or any limitations  
651 on indebtedness of governmental units.

652 (d) The secretary of administration and finance shall review  
653 and evaluate, on a semiannual basis, the compliance by qualified  
654 borrowers with the terms of the applicable loan agreements with  
655 the trust and shall report to the board the results of such review  
656 and evaluation. The secretary of administration and finance shall  
657 promptly recommend enforcement, collection or other actions to  
658 be taken with respect to any qualified borrower that is in default  
659 under a loan agreement, which actions shall thereafter be taken  
660 only with the approval of the board.

661 Section 11. *Powers and Privileges of Governmental Units.*

662 (a) In order to provide for the collection and enforcement of  
663 fees, rates, rents, assessments and other charges for the operation  
664 of any qualified project, the system of which it is a part and any  
665 other revenue producing facilities from which the governmental  
666 unit derives project revenues, in addition to any other authority  
667 provided by law or any applicable bond act, governmental units  
668 are hereby granted all the powers and privileges granted to them  
669 by law with respect to any similar fee, rate, rent, assessment or  
670 other charge.

671 (b) Any governmental unit may enter into agreements with the  
672 trust regarding the operation of a pricing system for the services  
673 provided by any qualified project and any other revenue pro-

674 ducing facilities from which the governmental unit derives project  
675 revenues. Such agreements may include, without limitation, pro-  
676 visions defining the costs of such services, the qualified project  
677 and such other facilities, and covenants or agreements and other  
678 charges for such costs and the maintenance of such pricing system  
679 at levels sufficient to pay or provide for all such costs and any  
680 payments due the trust under any loan agreement or governmental  
681 obligations.

682 (c) In addition to other remedies of the trust under any loan  
683 agreement, if any governmental unit shall fail to pay to the trust  
684 when due and after demand any principal, interest or other charges  
685 payable under a loan agreement, the board may certify to the state  
686 treasurer the amount owing to the trust by said governmental unit.  
687 The state treasurer shall promptly pay over to the trust for deposit  
688 in the fund without further appropriation any local aid distribu-  
689 tions otherwise certified to the state treasurer as payable to the  
690 governmental unit. Payment by the state treasurer under this  
691 section shall continue to be made until any deficiency in the gov-  
692 ernmental unit's payment to the trust shall have been offset by the  
693 payments from the state treasurer. Any amount paid to the trust  
694 by the state treasurer under this section which is later determined,  
695 upon audit, to be in excess of the actual amount due the trust shall,  
696 upon demand of the governmental unit or city or town, be repaid  
697 from the fund to the state treasurer.

698 (d) The trust may also recover from a governmental unit in an  
699 action in superior court any amount due to the fund together with  
700 any other actual damages the trust or the fund shall have sustained  
701 from the failure or refusal of the governmental unit to make pay-  
702 ments owing to the fund.

703 Section 12. *Borrower Obligations.*

704 (a) Subject to the provisions of section 5, governmental obliga-  
705 tions issued by a governmental unit shall be dated, may bear  
706 interest at such rate or rates, including rates variable from time to  
707 time subject to such minimum or maximum rate, if any, as may be  
708 determined by such index or other method of determination pro-  
709 vided in the applicable loan agreement, shall mature in such  
710 amount or amounts and at such time or times, not later than the  
711 maximum dates, if any, provided herein, and may be made  
712 redeemable, in whole or in part, before maturity at the option of

713 the governmental unit or at the option of the trust at such price or  
714 prices and under such terms and conditions as may be fixed in the  
715 loan agreement prior to the issue of the governmental obligations.  
716 The governmental obligations may be issued as serial bonds or  
717 term bonds or any combination thereof with such provisions, if  
718 any, for sinking funds for the payment of bonds as the govern-  
719 mental unit and the trust may agree. Governmental obligations  
720 may be in such form, payable to the bearer thereof or the regis-  
721 tered owner, be certificated or uncertificated, be in such denomi-  
722 nations, payable at such place or places, within or without the  
723 commonwealth, and otherwise bear such terms and conditions, not  
724 inconsistent with this chapter and the applicable bond act, as pro-  
725 vided in the applicable loan agreement or as the trust and the gov-  
726 ernmental unit shall otherwise agree. Governmental obligations  
727 may be issued in principal amount equal to the loan evidenced  
728 thereby or at such discount as the board and the governmental unit  
729 shall agree. Subject to the provisions of section 5, borrower  
730 obligations other than governmental obligations shall be dated,  
731 may bear interest at such rate or rates, including rates variable  
732 from time to time subject to such minimum or maximum rate, if  
733 any, as may be determined by such index or other method of  
734 determination provided in the applicable loan agreement, shall  
735 mature in such amount or amounts and at such time or times, not  
736 later than the maximum dates, if any, provided herein, and may be  
737 made prepayable, in whole or in part, before maturity at the option  
738 of the qualified borrower or at the option of the trust at such price  
739 or prices and under such terms and conditions as may be fixed in  
740 the loan agreement prior to the issue of the borrower obligations.

741 (b) Subject to the provisions of sections 5 and 6, borrower  
742 obligations shall be payable within a period not exceeding the  
743 greater of the period, if any, specified in any applicable bond act  
744 or the useful life of the qualified project financed by such obliga-  
745 tions, as determined by the trust, or, if incurred to finance more  
746 than one project, the average useful life of such projects. Except  
747 as otherwise provided in this chapter, borrower obligations shall  
748 be payable by such installments of principal, annual or otherwise,  
749 as will extinguish the same at maturity, such installments to be in  
750 such amounts and payable on such dates as the trust and the quali-  
751 fied borrower shall agree.

752 (c) Notwithstanding the provisions of section 17 of chapter 44  
753 to the contrary, if a governmental unit has authorized a loan in  
754 accordance with this chapter and the issuance of governmental  
755 obligations under any bond act, the governmental unit may, sub-  
756 ject to the loan agreement and with the approval of the trust, issue  
757 notes to the trust or any other person in anticipation of the receipt  
758 of the proceeds of the loan. The issuance of such notes shall be  
759 governed by the provisions of this chapter relating to the issue of  
760 governmental obligations other than such notes, to the extent  
761 applicable, provided the maturity date of such notes shall not  
762 exceed three years from the date of issue of such notes or the  
763 expected date of completion of the project financed thereby, as  
764 determined by the trust, if later. Notes issued for less than the  
765 maximum maturity date may be renewed by the issue of other  
766 notes maturing no later than the maximum maturity date.

767 (d) A governmental unit may issue governmental obligations to  
768 refund or pay at maturity or earlier redemption any governmental  
769 obligations outstanding under any loan agreement or to refund or  
770 pay any other debt of the governmental unit issued to finance the  
771 qualified project to which such loan agreement pertains. Govern-  
772 mental obligations for refunding may be issued in sufficient  
773 amounts to pay or provide for the principal of the obligations  
774 refunded, any redemption premium thereon, any interest accrued  
775 and to accrue to the date of payment of such obligations, the costs  
776 of issuance of such refunding obligations and any reserves  
777 required by the applicable loan agreement. An issue of refunding  
778 governmental obligations, the amount and dates of maturity or  
779 maturities and other details thereof, the security therefor and the  
780 rights, duties and obligations of the governmental unit with  
781 respect thereto shall be governed by the provisions of this chapter  
782 relating to the issue of governmental obligations other than  
783 refunding obligations as the same may be applicable.

784 (e) Except as otherwise provided in section 13, applicable law,  
785 or by agreement between the trust and a governmental unit, all  
786 governmental obligations shall be general obligations of the gov-  
787 ernmental unit issuing the same for which its full faith and credit  
788 are pledged and for the payment of which all taxable property in  
789 the governmental unit shall be subject to ad valorem taxation  
790 without limitation as to rate or amount except as otherwise pro-  
791 vided by law.

792 Section 13. *Borrower Obligations Issued as Limited Obliga-*  
793 *tions Payable Solely from Project Revenues.*

794 Notwithstanding any general or special law to the contrary,  
795 when authorized by a two-thirds vote as defined in section 1 of  
796 chapter 44 or by such other vote as is authorized by the applicable  
797 law or when authorized in accordance with the applicable provi-  
798 sions of any charter or bylaws of any qualified borrower other  
799 than a governmental unit, borrower obligations may be issued as  
800 limited obligations payable solely from project revenues pledged  
801 to their payment in accordance with section 14. Unless otherwise  
802 provided in the applicable loan agreement, borrower obligations  
803 issued in accordance with this section shall not be general obliga-  
804 tions of the qualified borrower or a pledge of its full faith and  
805 credit and, in the case of a governmental unit, notwithstanding any  
806 general or special law to the contrary, the amount of principal and  
807 premium, if any, of and interest on such obligations shall not be  
808 included in the computation of any limit on the indebtedness of  
809 such governmental unit or on the total taxes assessable by such  
810 governmental unit in any year or on any assessment, levy or other  
811 charge made by such governmental unit on any other political sub-  
812 division or instrumentality of the commonwealth. Any borrower  
813 obligation issued in accordance with this section shall recite on its  
814 face that it is a limited obligation payable solely from project rev-  
815 enues pledged to its payment.

816 Section 14. *Security Agreements Securing Borrower Obliga-*  
817 *tions; Pledges of General Revenues or Project Revenues.*

818 (a) Notwithstanding any general or special law to the contrary,  
819 when authorized by a two-thirds vote as defined in section 1 of  
820 chapter 44 or by such other vote as is authorized by applicable  
821 law, any governmental obligations may be secured by one or more  
822 security agreements between the governmental unit and a corpo-  
823 rate trustee, which may be a trust company or bank having the  
824 powers of a trust company within or without the commonwealth,  
825 or directly between the trust and the governmental unit. A bor-  
826 rower obligation, other than a governmental obligation, may be  
827 secured by one or more security agreements between the trust and  
828 the qualified borrower. Any security agreements entered into pur-  
829 suant to this paragraph shall be in such form and shall be executed  
830 as provided in the applicable loan agreement or as otherwise  
831 agreed to between the trust and the qualified borrower.

832 (b) Any security agreement directly or indirectly securing gov-  
833 ernmental obligations, other than governmental obligations issued  
834 in accordance with section 13 may pledge or assign, and create  
835 security interests in all or any part of the general revenues of the  
836 governmental unit. Any security agreement securing borrower  
837 obligations issued in accordance with said section 13 may pledge  
838 or assign, and create security interests in, all or any part of the  
839 project revenues of the qualified borrower, but, in the case of a  
840 governmental unit, shall not otherwise pledge or assign any other  
841 general revenues of the governmental unit unless otherwise autho-  
842 rized by the applicable law. Any security agreement may contain  
843 such provisions for protecting and enforcing the rights, security  
844 and remedies of the trust, or other holders of the borrower obliga-  
845 tions, as may be determined by the trust and the qualified bor-  
846 rower, including, without limitation, (1) provisions defining  
847 defaults and providing for remedies, including the acceleration of  
848 maturities and, (a) in the case of borrower obligations issued  
849 under said section 13, the appointment of a receiver of the project  
850 financed thereby and the system of which it is a part, and (b) in  
851 case of governmental units, the use of a local aid intercept mecha-  
852 nism; and (2) covenants setting forth the duties of, and limitations  
853 on, the qualified borrower in relation to the custody, safeguarding,  
854 investment and application of monies, including general revenues  
855 and project revenues, the issue of additional and refunding bor-  
856 rower obligations and other bonds notes or obligations on a parity  
857 basis or superior thereto, the establishment of reserves, the estab-  
858 lishment of sinking funds for the payment of borrower obliga-  
859 tions, and the use of surplus proceeds. A security agreement  
860 securing borrower obligations issued in accordance with said  
861 section 13 also may include covenants and provisions not in viola-  
862 tion of law regarding the acquisition, construction, operation and  
863 carrying out of the qualified project financed by such obligations,  
864 the system of which it is a part and any other revenue producing  
865 facilities from which the qualified borrower may pledge or assign  
866 any of its project revenues, as appropriate, as security for pay-  
867 ments made thereon.

868 (c) Any pledge of general revenues or project revenues made  
869 by a qualified borrower shall be valid and binding and shall be  
870 deemed continuously perfected for the purpose of chapter 106 and

871 any other law from the time made. The general revenues, project  
872 revenues, monies, rights and proceeds so pledged and then held or  
873 thereafter acquired or received by the qualified borrower shall  
874 immediately be subject to the lien of such pledge without any  
875 physical delivery or segregation thereof or further act, and the lien  
876 of such pledge shall be valid and binding against all parties having  
877 claims of any kind in tort, contract or otherwise, regardless of  
878 whether such parties have notice thereof. Neither the security  
879 agreement nor any other agreement by which a pledge is created  
880 need be filed or recorded except in the records of the govern-  
881 mental unit and no filing need be made under the provisions of  
882 said chapter 106.

883 (d) In the case of a governmental unit, a pledge of general rev-  
884 enues or project revenues in according with this chapter shall con-  
885 stitute a sufficient appropriation thereof for the purposes of any  
886 provisions for appropriation for so long as such pledge shall be in  
887 effect and, notwithstanding any general or special law to the con-  
888 trary, such revenues shall be applied as required by the pledge and  
889 the security agreement evidencing the same without further appro-  
890 priation.

891 Section 15. *Guarantees; Other Credit Enhancement.*

892 (a) The trust may provide guarantees or other forms of credit  
893 enhancement to qualified borrowers on terms and conditions  
894 established by the board.

895 (b) The trust may charge and collect premiums or other fees  
896 for the guarantees or other credit enhancement provided pursuant  
897 to this chapter, including fees for services performed in connec-  
898 tion with the approval and processing of the guarantees or other  
899 credit enhancement provided pursuant to this chapter.

900 Section 16. *Termination of the Program; Remaining Assets and*  
901 *Liabilities.*

902 The program shall continue until terminated by law; provided,  
903 however, that no such law shall take effect so long as there shall  
904 be outstanding any bonds secured by the fund unless adequate  
905 provision has been made for the payment or satisfaction thereof.  
906 Upon termination of the program, the title to the fund and any  
907 amounts remaining therein and all other program assets which  
908 remain after provision for the payment or satisfaction of all bonds  
909 issued pursuant to section 8 shall vest in the commonwealth. The



910 obligations, debts and liabilities of the trust shall be assumed by  
911 and imposed upon the commonwealth, and shall be transferred to  
912 the treasurer or to such other successor as the general court may  
913 designate.

914 Section 17. *Records of Receipts, Expenditures and Disburse-*  
915 *ments; Annual Reports.*

916 The trust, in cooperation with the state treasurer and state  
917 comptroller, shall, at all times keep full and accurate accounts of  
918 all receipts, expenditures and disbursements from the fund and all  
919 assets and liabilities of the trust incurred pursuant to this chapter  
920 which shall be open to inspection by any officer or duly appointed  
921 agent of the commonwealth. The trust shall submit an annual  
922 report, in writing, to the governor and clerks of the senate and  
923 house of representatives. Said report shall include financial state-  
924 ments relating to the operations, property, and expenditures of the  
925 trust maintained in accordance with generally accepted accounting  
926 principles so far as applicable and audited by an independent cer-  
927 tified public accountant firm.

1 SECTION 2. Chapter 81 of the General Laws is hereby  
2 amended by adding after section 7M the following new section:—

3 Section 7N. Notwithstanding the provisions of sections 7E, 7H,  
4 7L, or any other law to the contrary, any fees collected by the  
5 department in association with the Wiring Massachusetts  
6 Public/Private Initiative as it may be amended shall be credited to  
7 the Massachusetts Transportation Infrastructure Revolving Fund  
8 established in chapter 29E of the General Laws. This section shall  
9 not preclude the use of the access fee provided by the lead com-  
10 pany and participants to offset the cost of tower construction, as  
11 set forth in the Standard Lead Company Agreement of October 3,  
12 1997, as it may be amended.

1 SECTION 3. The Massachusetts turnpike authority is hereby  
2 authorized to deposit funds of the authority from any available  
3 source, with the exception of revenues or proceeds of the issuance  
4 of notes or bonds, as defined in chapter 81A of the General Laws,  
5 the authority or otherwise, in the transportation infrastructure  
6 revolving fund established pursuant to chapter 29E of the General  
7 Laws, which amounts may be used for any purpose as provided in

8 said chapter 29E; provided, that said deposit does not violate the  
9 provisions of any bond resolution, trust agreement or other agree-  
10 ment of the authority entered into pursuant to section 6 of said  
11 chapter 81A.

1 SECTION 4. Chapter 81 is hereby further amended by adding  
2 at the end of section 7E the following two sentences:—

3 Any fees, receipts, or other revenues in excess of \$2,000,000  
4 collected by the department in any fiscal year from the sale, lease  
5 or rental of land or any interest in land pursuant to this section and  
6 sections 7H and 7L of this chapter, including fees, receipts or  
7 other revenues from the leases or rentals of land which were  
8 entered into prior to June 30, 1999, shall be credited to the Massa-  
9 chusetts Infrastructure Revolving Fund established in Chapter  
10 29E. The department shall file an account of the collection so any  
11 such revenues with the secretary of administration and finance  
12 and the house and senate committees on ways and means at the  
13 end of each fiscal year.